

House File 405 - Introduced

HOUSE FILE 405

BY SHEETS

A BILL FOR

1 An Act modifying school budget review committee authority to
2 recommend fiscal reviews.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 257.31, subsection 18, Code 2017, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 18. The committee is authorized to recommend that the
5 department implement a phase II on-site visit to conduct a
6 fiscal review pursuant to section 256.11, subsection 10,
7 paragraph "b", subparagraph (1), subparagraph division (e), as
8 follows:

9 a. If a school district exceeds its authorized budget
10 or carries a negative unspent balance for the most recently
11 completed budget year and for the budget year preceding that
12 budget year and the school district is not eligible for a phase
13 II on-site visit recommendation to conduct a fiscal review
14 under another paragraph of this subsection, the committee
15 may, but is not required to, recommend that the department
16 conduct such a phase II on-site visit. However, if the school
17 district's unspent balance for the most recently completed
18 budget year is greater than the difference of three-halves of
19 the unspent balance for the budget year preceding the most
20 recently completed budget year minus three-fifths of the
21 unspent balance for the budget year two years preceding the
22 most recently completed budget year, the committee shall not
23 recommend that the department conduct a phase II on-site visit.

24 b. If a school district exceeds its authorized budget
25 or carries a negative unspent balance for the most recently
26 completed budget year and for each of the two budget years
27 preceding that budget year and the school district is not
28 eligible for a phase II on-site visit recommendation to
29 conduct a fiscal review under another paragraph of this
30 subsection, the committee may, but is not required to,
31 recommend that the department conduct such a phase II on-site
32 visit. However, if the school district's unspent balance
33 for the most recently completed budget year is greater than
34 the difference of four-thirds of the unspent balance for the
35 budget year preceding the most recently completed budget year

1 minus one-half of the unspent balance for the budget year two
2 years preceding the most recently completed budget year, the
3 committee shall not recommend that the department conduct a
4 phase II on-site visit.

5 *c.* If a school district exceeds its authorized budget
6 or carries a negative unspent balance for the most recently
7 completed budget year and for each of the three budget years
8 preceding that budget year and the school district is not
9 eligible for a phase II on-site visit recommendation to
10 conduct a fiscal review under another paragraph of this
11 subsection, the committee may, but is not required to,
12 recommend that the department conduct such a phase II on-site
13 visit. However, if the school district's unspent balance
14 for the most recently completed budget year is greater than
15 the difference of four-thirds of the unspent balance for the
16 budget year preceding the most recently completed budget year
17 minus one-half of the unspent balance for the budget year two
18 years preceding the most recently completed budget year, the
19 committee shall not recommend that the department conduct a
20 phase II on-site visit.

21 *d.* If a school district exceeds its authorized budget
22 or carries a negative unspent balance for the most recently
23 completed budget year and for each of the four budget years
24 preceding that budget year and the school district was not
25 recommended for a phase II on-site visit to conduct a fiscal
26 review under this subsection for the budget year preceding the
27 most recently completed budget year, the committee may, but is
28 not required to, recommend that the department conduct such a
29 phase II on-site visit.

30

EXPLANATION

31 The inclusion of this explanation does not constitute agreement with
32 the explanation's substance by the members of the general assembly.

33 Current Code section 257.31(18) provides that if a school
34 district exceeds its authorized budget or carries a negative
35 unspent balance for two or more consecutive years, the school

H.F. 405

1 budget review committee may recommend that the department of
2 education implement a phase II on-site visit to conduct a
3 fiscal review pursuant to Code section 256.11(10). This bill
4 strikes current Code section 257.31(18), and enacts a different
5 methodology for the school budget review committee to utilize
6 when determining whether the committee is authorized to make
7 recommendations for the department of education to implement a
8 phase II on-site visit to conduct a fiscal review pursuant to
9 Code section 256.11(10).